

### **Remarks/Arguments**

#### **In the Specification:**

Paragraphs [0001] and [0027] have been amended to correct minor editorial problems that were pointed out in the Office action and in the telephone interview with the Examiner.

#### **Errors in Rejection:**

The assignee respectfully asserts that:

1. It was erroneous to reject Claims 1-5, under 35 U.S.C. 101, as being directed to nonstatutory subject matter. A prima facie case of nonstatutory subject matter has not been established.
2. It was erroneous to reject Claims 1-6, and 8-15, under 35 U.S.C. 103, over King, EP 1,081,916A2, in view of Kroenke, *Database Processing: Fundamentals, Design & Implementation*, Chapter 3, and further in view of Spies, US 5,689,565. A prima facie case of obviousness has not been established.
3. It was erroneous to reject Claim 7 without specifying a ground for rejection.

#### **1. Argument regarding Claims 1-5, 35 U.S.C. 101 and statutory subject matter.**

The proper standard for patentable subject matter in computer-related inventions is stated in MPEP 2106 II. A.: "The claimed invention as a whole must accomplish a practical application. That is, it must produce a 'useful, concrete and tangible result'.... Office personnel have the burden to establish a prima facie case that the claimed invention as a whole is directed to solely an abstract idea or to manipulation of abstract ideas or does not produce a useful result. Only when

the claim is devoid of any limitation to a practical application in the technological arts should it be rejected under 35 U.S.C. 101."

It is clear that a useful, concrete and tangible result is produced by rejected Claims 1-5, when these claims are read in light of the specification (e.g. pages 10-24, and FIG. 7). In the present patent application, the Office cannot show that the claimed invention as a whole is directed to solely an abstract idea or to manipulation of abstract ideas or does not produce a useful result. The Office cannot show that rejected Claims 1-5 are devoid of any limitation to a practical application. Thus the Office has not satisfied its burden to establish a prima facie case of nonstatutory subject matter.

As stated in MPEP 2106 II. A.: "Further, when such a rejection is made, Office personnel must expressly state how the language of the claims has been interpreted to support the rejection." However, in the present case the Office has not expressly stated how the language of rejected Claims 1-5 could be interpreted to support the notion that a useful, concrete and tangible result is lacking.

The Office is not free to demand that method claims contain certain physical limitations, naming some "technological apparatus." On the contrary, MPEP 2106 II. A. contains examples of "claimed inventions that have a practical application because they produce useful, concrete, and tangible result." One of these examples is a case where claims (with method steps which did not name any apparatus) were drawn to a long-distance telephone billing process, and were

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held to be directed to patentable subject matter, because "the claimed process applies the Boolean principle to produce a useful, concrete, tangible result ...." This is the case of AT&T Corp. v. Excel Communications, Inc., 172 F.3d 1352, 1358, 50 USPQ2d 1447, 1452 (Fed. Cir. 1999) . MPEP cites AT&T again at MPEP 2106 IV B 2 (b) ii): "Computer-Related Processes Limited to a Practical Application in the Technological Arts ... A claim is limited to a practical application when the method, as claimed, produces a concrete, tangible and useful result; i.e., the method recites a step or act of producing something that is concrete, tangible and useful. See AT&T...."

The Office action at Page 3 appears to assert that method claims need to contain certain physical limitations, that name some "technological apparatus." This is not supported by the MPEP, and is contrary to the above-mentioned court decision of AT&T. Consider claim 1 in AT&T (note that the method steps do not name any apparatus): "A method for use in a telecommunications system in which interexchange calls initiated by each subscriber are automatically routed over the facilities of a particular one of a plurality of interexchange carriers associated with that subscriber, said method comprising the steps of: generating a message record for an interexchange call between an originating subscriber and a terminating subscriber, and including, in said message record, a primary interexchange carrier (PIC) indicator having a value which is a function of whether or not the interexchange carrier associated with said terminating subscriber is a predetermined one of said interexchange carriers."

The trial court held all of the method claims at issue invalid for failure to qualify as statutory subject matter. However, the Court of Appeals reversed the trial court, writing: "Excel also contends that because the process claims at issue lack physical limitations set forth in the patent, the claims are not patentable subject matter. This argument reflects a misunderstanding of our case law. ...had the [trial] court applied the proper analysis to the stated claims, the court would have concluded that all the claims asserted fall comfortably within the broad scope of patentable subject matter under § 101." As in the AT&T case, rejected claims 1-5 in the present case fall comfortably within the broad scope of patentable subject matter.

**2. Argument regarding 35 U.S.C. 103 and lack of a prima facie case of obviousness:**

As stated in MPEP 2142: "The examiner bears the initial burden of factually supporting any prima facie conclusion of obviousness. If the examiner does not produce a prima facie case, the applicant is under no obligation to submit evidence of nonobviousness."

**A. Limitations in the Rejected Claims Which Are Not Described in the References Relied On:**

As stated in MPEP 2143 and 2143.03, a requirement for establishing a prima facie case of obviousness is that the reference or references must teach or suggest all the claim limitations. Regarding rejected Claims 1, 6, and 11, the references do not teach or suggest all the claim limitations. Thus a prima facie case of obviousness has not been established.

Rejected Claims 1, 6, and 11 involve a privacy agreement, for example. See the description and example of a privacy agreement at pages 20-23 of the specification. Nothing like this is found in the references the Office action relies on. King happens to use the term "privacy agreement" in a narrow sense to mean something "established between ... a client device and a content server." King, page 2, lines 50-51. King's "privacy agreement" does not have the breadth of utility shown for a privacy agreement in the subject patent application (e.g. specification Pages 20-23).

As conceded in the Office action at Page 5, "King does not specifically disclose the following limitations...." The limitations in question are: "representing said parties, said data, and said privacy agreements graphically in one or more privacy agreement relationship diagrams, wherein:

said privacy agreement uses a limited number of privacy-related actions concerning said personally identifiable information...." Contrary to the assertion in the Office action, Kroenke does not disclose these limitations. Neither does Spies.

Considering privacy agreement relationship diagrams, neither King nor Spies disclose any particular use for diagrams. Kroenke's diagrams do not show privacy agreements. Privacy is not a topic treated in the Kroenke chapter that the Office action relies on.

Privacy - related actions are not treated in the Kroenke chapter that the Office

action relies on. This reference concentrates on things, not actions. Kroenke deals with entity relationship models. "With this model, entities - which are identifiable things of importance to the users - are defined." Kroenke, page 67. Kroenke teaches us "to determine potential entities. Entities are usually represented by nouns (places, persons, concepts, events, equipment, and so on ) in documents or interviews." Kroenke , page 61. "Look for nouns that seem important to the design." Kroenke, page 65. Kroenke's focus is on nouns, not verbs (*i.e.* things, not actions).

**B. Why the References, Taken as a Whole, Do Not Suggest the Claimed Subject Matter:**

The cited references do not suggest a solution involving subject matter of rejected Claims 1, 6, and 11: privacy agreement relationship diagrams, or "a limited number of privacy-related actions concerning said personally identifiable information," for example. Neither King nor Spies suggest any particular use for diagrams. Kroenke's diagrams do not suggest privacy agreements; nor do they suggest privacy-related actions. Privacy is not a topic treated in the Kroenke chapter that the Office action relies on.

In the present patent application, FIG. 6 and Specification Pages 14-22 show a number of privacy-related actions. Nothing like this is suggested by the references that the Office action relies on. King mainly concerns the single action of transmitting location information for a cell phone or other wireless device. The Spies reference mainly concerns the actions of encrypting, decrypting, and verifying a message.

**C. Why Features Disclosed in One Reference May Not Properly Be Combined with Features Disclosed in Another Reference:**

As stated in MPEP 2143 and 2143.01, a requirement for establishing a prima facie case of obviousness is that there must be some suggestion or motivation to combine reference teachings. As stated in MPEP 2143.01: "The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination." Neither King nor Spies suggest utilizing a particular kind of diagram in any combination. Kroenke does not suggest any combination directed at privacy. Thus a prima facie case of obviousness has not been established.

As stated in MPEP 2145 X. D. 2: "It is improper to combine references where the references teach away from their combination." Kroenke teaches away from any combination involving privacy-related actions. This reference concentrates on things, not actions, as explained above. Kroenke teaches us: "Look for nouns that seem important to the design." Kroenke, page 65. Thus it was improper to combine these references as a basis for rejection of claims in the present case.

**D. Nonanalogous Art Cannot Be Used to Establish Obviousness**

As stated in MPEP 2141.01(a) : "In order to rely on a reference as a basis for rejection of an applicant's invention, the reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the inventor was concerned."

In the present case, the field of applicants' endeavor or the particular problem

with which the inventors were concerned, are apparent in some excerpts from the subject patent application: "In light of laws and public concern regarding privacy, there is a need for systems and methods to improve the handling of personally identifiable information." Specification Page 2. "[A]ctions taken at block 205 are checking for compliance [with law or contract], and identifying ways to improve the information-handling process. The result is feedback to the information-handling process, at block 201." FIG. 2 and specification Page 9. "The production of privacy agreement relationship diagrams ... may involve a consultant's computer interacting with a client organization's computer via a network, for example." Specification Page 23. A diagram such as FIG. 7 may facilitate "identifying opportunities to reduce privacy-related risks involved in business processes." Specification Page 24.

However, the cited references are not in the same field, and are not reasonably pertinent to the same problem. On the contrary, Kroenke's field is the fundamentals, design and implementation of databases, with no special concern for privacy. King is mainly concerned about location information for a cell phone or other wireless device. The Spies reference is in the field of cryptography: "keeping messages secure from eavesdroppers." Thus it was improper to rely on these references as a basis for rejection of claims in the present case.

**E. Rejected Claims 2-5, 7-10, and 12-15 are not separately argued.**

The points made above, concerning Claim 1, also apply to Claims 2-5, which depend upon Claim 1. The points made above, concerning Claim 6, also apply to Claims 7-10, which depend upon Claim 6. The points made above, concerning



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Claim 11, also apply to Claims 12-15, which depend upon Claim 11. Thus a prima facie case of obviousness has not been established.

**3. Argument regarding missing ground for rejection of Claim 7:**

Apparently all claims were rejected by the Office action of Feb. 20, 2004, but Claim 7 is not included in the explanation of any specific ground for rejection. It was erroneous to reject Claim 7 without specifying a ground for rejection.

Assignee respectfully submits that the rejection of Claims 1-15 should be withdrawn, and requests that a timely Notice of Allowance be issued in this case.

Respectfully submitted,



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